

"EXHIBIT B" TO THE DECLARATION OF KIMBERLY S. MORRIS IN SUPPORT OF
PLAINTIFF'S BRIEF IN SUPPORT OF A COURT DETERMINATION THAT THE JOHN
M. AND FLORENCE E. BRYAN TRUST HAS WAIVED ITS RIGHT TO A JURY TRIAL

1 UNITED STATES BANKRUPTCY COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 SANTA ROSA DIVISION

4 In re:
5 THE LEGACY ESTATE GROUP, LLC,
6 a California Limited Liability
7 Company, formerly doing
8 business as FREEMARK ABBEY
9 WINERY, et al.,

10 Debtor.

11 OFFICIAL COMMITTEE OF UNSECURED
12 CREDITORS OF THE LEGACY ESTATE
13 GROUP, LLC,

14 Plaintiff,

15 vs.

Case No. 05-14659

16 JOHN M. BRYAN, JOHN M. AND FLORENCE
17 E. BRYAN TRUST, J.M. BRYAN FAMILY
18 TRUST, KULWINDER SIDHU, et al.,

19 Defendants.

20 JOHN M. BRYAN, JOHN M. AND FLORENCE
21 E. BRYAN TRUST, J.M. BRYAN FAMILY
22 TRUST,

23 Defendants and Cross-Claimants.

24 DEPOSITION OF JOHN M. BRYAN
25 San Francisco, California
Friday, September 14, 2007

Reported by:
DARCY J. BROKAW
CSR No. 12584
JOB No. 71470

1 think. I'm not sure about my wife. But anyway, all
2 my children or descendants.

3 MR. WOOLNER: Glenn, I don't think we've
4 ever been given a copy of the trust instrument for
5 the Family Trust. We'll talk later about that.

6 MR. WESTREICH: Okay.

7 BY MR. WOOLNER:

8 Q Let's turn now to the John and Florence
9 Trust.

10 A That's a present interest trust.

11 Q You're referring now to the John and
12 Florence Trust?

13 A Right.

14 MR. WESTREICH: Let him ask the questions
15 and then give him answers.

16 BY MR. WOOLNER:

17 Q When you say it's a present interest
18 trust, what do you mean by that, Mr. Bryan?

19 A It's a trust established by Flo and
20 myself, which essentially owns all of our assets.

21 Q When you refer to "Flo," you're referring
22 to your wife Florence?

23 A Yes. Not water flow.

24 Q And you indicated in your last answer that
25 the John and Florence Trust owns all of your assets;

1 is that --

2 MR. WESTREICH: Objection,
3 mischaracterizes his testimony.

4 THE WITNESS: Pardon?

5 MR. WESTREICH: I said objection, that
6 mischaracterizes your testimony.

7 BY MR. WOOLNER:

8 Q You can answer.

9 A Well, it represents the trust's -- the
10 assets that are in that trust, yes.

11 Q What assets are in that trust?

12 A Most of our personal holdings, our stocks,
13 our real estate.

14 Q Are there any personal holdings of yours
15 and your wife that are not in the John and Florence
16 Trust?

17 A Not that I'm aware.

18 Q So basically everything that you and your
19 wife own is property of the John and Florence Trust?

20 A Correct.

21 Q What I'd like to do is show you some
22 documents that have been produced to us, Mr. Bryan,
23 and ask you questions about them.

24 MR. WOOLNER: Glenn, I'd like to mark
25 these collectively as Exhibit 64, but there are four

1 BY MR. WOOLNER:

2 Q Mr. Bryan, do the documents that we have
3 marked collectively as Exhibit 64 reflect the
4 instrument representing or governing the John and
5 Florence Trust?

6 A I haven't read it.

7 Q Take a look at it and satisfy yourself as
8 to --

9 A I mean, I haven't looked at it for
10 decades, so...

11 Q Let me suggest to you that these documents
12 were executed in or about 2004.

13 A They were?

14 Q If you look at the back of each document,
15 I think you'll see -- you'll see --

16 A They might have been updated.

17 Q Let me try it a different way.

18 MR. WESTREICH: Just let him ask questions
19 and answer them.

20 I thought the question was, do these four
21 documents comprise the trust instruments for the
22 John and Florence Bryan Trust?

23 BY MR. WOOLNER:

24 Q Right. Mr. Westreich has accurately
25 paraphrased what I was asking.

1 slow things down, but let me hold off on doing that.
2 If these are the documents that we've produced, then
3 I can stipulate that these are, as far as I can
4 tell, the documents, but I don't know what else may
5 be out there.

6 MR. WOOLNER: You can do that over lunch,
7 because I don't want to waste time. But we're going
8 to get this established one way or the other.

9 MR. WESTREICH: Sure.

10 BY MR. WOOLNER:

11 Q Why was the John and Florence Trust
12 established, Mr. ~Bryan?

13 A To simplify an estate settlement, I think,
14 more than anything.

15 Q Is it fair to say that this is a trust
16 established in lieu of a will --

17 A Yes.

18 Q -- to dispose of the estate of you and
19 your wife?

20 A I'd say so.

21 Q And you and your wife were the settlors of
22 the John and Florence Trust?

23 A Correct.

24 Q We've already established that you and
25 Mr. Brudos are the two cotrustees.

1 interested in his -- you know, his opinion on
2 something.

3 Q Look at the first sentence in the section
4 labeled G on Page 11380, please, and just read it to
5 yourself.

6 A Okay.

7 Q Does that accurately reflect the
8 understanding that you had about your power to
9 manage trust property?

10 A I really haven't given it any thought.
11 It's just never been an issue.

12 Q Have you ever read through the documents
13 we've marked as Exhibit 64?

14 MR. WESTREICH: All four?

15 MR. WOOLNER: Well, 64 is collective.

16 MR. WESTREICH: I understand. So he's
17 asking, have you read through all four of these
18 documents, 64A, B, C and D?

19 THE WITNESS: I'm not sure.

20 BY MR. WOOLNER:

21 Q I'm assuming that lawyers prepared these
22 for you and gave them to you to sign.

23 A Correct.

24 Q Okay. So do you actually recall reading
25 through the whole thing ever?

1 A No.

2 Q So to get an understanding of the trust
3 provisions, our best -- the best thing for us to do
4 is actually to read the trust; is that a fair
5 statement?

6 A I guess that's true. And I don't know why
7 it was changed, I mean, you know, redone. I just
8 don't know. I don't recall or remember why. There
9 must have been some reason, but --

10 MR. WESTREICH: Okay. There's no question
11 pending.

12 BY MR. WOOLNER:

13 Q So far as you know, has Alan Brudos,
14 acting as a cotrustee of the John and Florence
15 Trust, ever made a decision with respect to trust
16 property without consulting you?

17 A He wouldn't.

18 Q So far as you know, he has not?

19 A Correct.

20 Q The property that went into the trust, I
21 think you indicated earlier, included things like
22 stocks and real estate. Did I get that right?

23 A Correct.

24 Q With respect to the real estate, does that
25 include residences?

1 BY MR. WOOLNER:

2 Q You used the homes the same way?

3 A I think so.

4 Q Stocks went into the trust on a particular
5 date or particular dates, right?

6 Did you do anything different with the
7 stocks after the trust was created, as compared to
8 before the trust was created?

9 A Well, I might have sold them later. But
10 putting it in the trust, I don't think had any
11 particular impact on our decision.

12 Q Put another way, putting it into the trust
13 didn't change the way you dealt with the property in
14 the trust?

15 A Correct.

16 Q Who pays trust administration expenses?

17 A I suppose the trust does.

18 Q Do you know?

19 A I really don't know how -- I don't know.
20 I can't answer that.

21 Q But to the extent that somebody pays it,
22 they're being paid by assets of you and your wife;
23 is that a fair statement?

24 MR. WESTREICH: Objection, calls for a
25 legal conclusion.

1 A Yes.

2 Q Do you recognize that as his signature?

3 A Yes.

4 Q Did you consult with Mr. Brudos at all
5 about the proposed purchase price?

6 A I doubt it.

7 Q Did you consult with Mr. Brudos at all
8 about the proposed sale of the Bryan interests to
9 Connaught?

10 A I'm sure we discussed it.

11 Q Is this document, Exhibit 9, the document
12 under which Connaught acquired from your trusts, the
13 John and Florence Trust and the Bryan Family Trust,
14 your membership interest in Legacy?

15 A Pardon?

16 Q Is this document, Exhibit 9, the document
17 under which Connaught Capital Partners acquired the
18 two trusts' interests in Legacy?

19 A It looks like it.

20 Q And the purchase price for the interests
21 that your trust held was just under \$8.7 million?

22 I'm looking at Section 1.2.

23 A Yeah. I don't know where it says 8.457.
24 That isn't quite right, is it?

25 Q No. Those are the number of units,

1 Mr. Bryan. I'm looking at Section 1.2, lower down
2 on the first page.

3 A Uh-huh. Yeah. Okay.

4 Q Do you see the price shown there?

5 A Yes.

6 Q What is that price?

7 A Pardon?

8 Q What is that price?

9 A Well, it says here what it is.

10 Q I'm just trying to get it for the record.

11 A Oh. It's \$8,677,610.00.

12 Q Did you approve entry by the two trusts
13 into this contract?

14 A Yes.

15 Q Now, the agreement contemplates in
16 Section 1.3.1 on that first page that, "The purchase
17 price shall be paid by wire transfer or bank cashier
18 checks at the closing."

19 Do you see that?

20 A Yes.

21 Q In fact, the full purchase price was not
22 paid by wire transfer at the closing, was it?

23 A No.

24 Q A portion of that purchase price was paid
25 in the form of a note; is that correct?

1 I, the undersigned, a Certified Shorthand
2 Reporter of the State of California, do hereby certify:


3 That the foregoing proceedings were taken
4 before me at the time and place herein set forth; that
5 any witnesses in the foregoing proceedings, prior to
6 testifying, were duly sworn; that a record of the
7 proceedings was made by me using machine shorthand
8 which was thereafter transcribed under my direction;
9 that the foregoing transcript is a true record of the
10 testimony given.

11 Further, that if the foregoing pertains to
12 the original transcript of a deposition in a Federal
13 Case, before completion of the proceedings, review of
14 the transcript [☒] was [☐] was not requested.

15 I further certify I am neither financially
16 interested in the action nor a relative or employee
17 of any attorney or party to this action.

18 IN WITNESS WHEREOF, I have this date
19 subscribed my name.

20
21 Dated: SEP 18 2007

22
23 
24 DARCY J. BROKAW
25 CSR No. 12584